

1701 and 1705 N. Beauregard Street Update



City Council

December 13, 2016



Alexandria City Public Schools

Every Student Succeeds

Essential Questions

- What is the planned use for 1701 and 1705 N. Beauregard?
- Why was the property selected and how does it meet the school division's needs?
- Why did ACPS decide to buy the building vs. lease?
- What is the timeline for the acquisition of 1701 and 1705?
- What are the costs associated with acquisition of this property and how has the Board addressed them?
- How does this project impact seating capacity?

Planned Use for 1701/1705 N. Beauregard

- **1701 N. Beauregard:** Retrofit the office building, making substantial changes to convert it into space suitable for approximately 650 elementary students
- **1705 N. Beauregard:** Convert parking garage adjacent to the building into outdoor space for students

Benefits of 1701/1705 N. Beauregard Site Selection

- Fiscally responsible solution that addresses elementary capacity on the West End
- Helps address future capacity needs
- Modern and up to date building condition
- Ample space for conversion to outdoor learning and room for possible expansion
- Lessens impact of capacity reassignments for students across the City
- Increases walkability of students

Cost Details: Purchasing vs. Leasing

- Purchase price : \$15 million
- Future Potential Savings: Approximately \$28 million over ten years or \$64 million over twenty years*
- Retrofit cost: approximately \$23.2 million

*based on initial lease terms, current purchase price, and other anticipated costs to retrofit the building

Timeline Status of 1701/1705

1701 & 1705 N. Beauregard St. School Conversion Checklist

<u>TASKS</u>	<u>CONTRACT TIMELINE</u>	<u>COMMENTS</u>
<input checked="" type="checkbox"/> Executed Contract <i>August 1, 2016</i>	REVIEW PERIOD (Aug. 1 - Sep. 30, 2016)	
<input checked="" type="checkbox"/> Earnest Money Deposit Completed <i>August 5, 2016 (5 days after executed contract)</i>		
<input checked="" type="checkbox"/> Review Phase I ESA from Owner <i>Aug. 1 - Aug. 5, 2016</i>		Documents received and reviewed-there are no environmental concerns at the site
<input checked="" type="checkbox"/> Building Fireproofing Assessment <i>August 5, 2016</i>		
<input checked="" type="checkbox"/> 9.06 Review Submission <i>August 5, 2016</i>		
<input checked="" type="checkbox"/> SUP Application <i>August 5, 2016</i>		
<input checked="" type="checkbox"/> Title Search Complete <i>August 5, 2016</i>		
<input checked="" type="checkbox"/> Complete Building Assessment Report <i>August 11, 2016</i>		
<input checked="" type="checkbox"/> Appraisal Completed <i>September 1, 2016</i>		

Timeline Status of 1701/1705, contd.

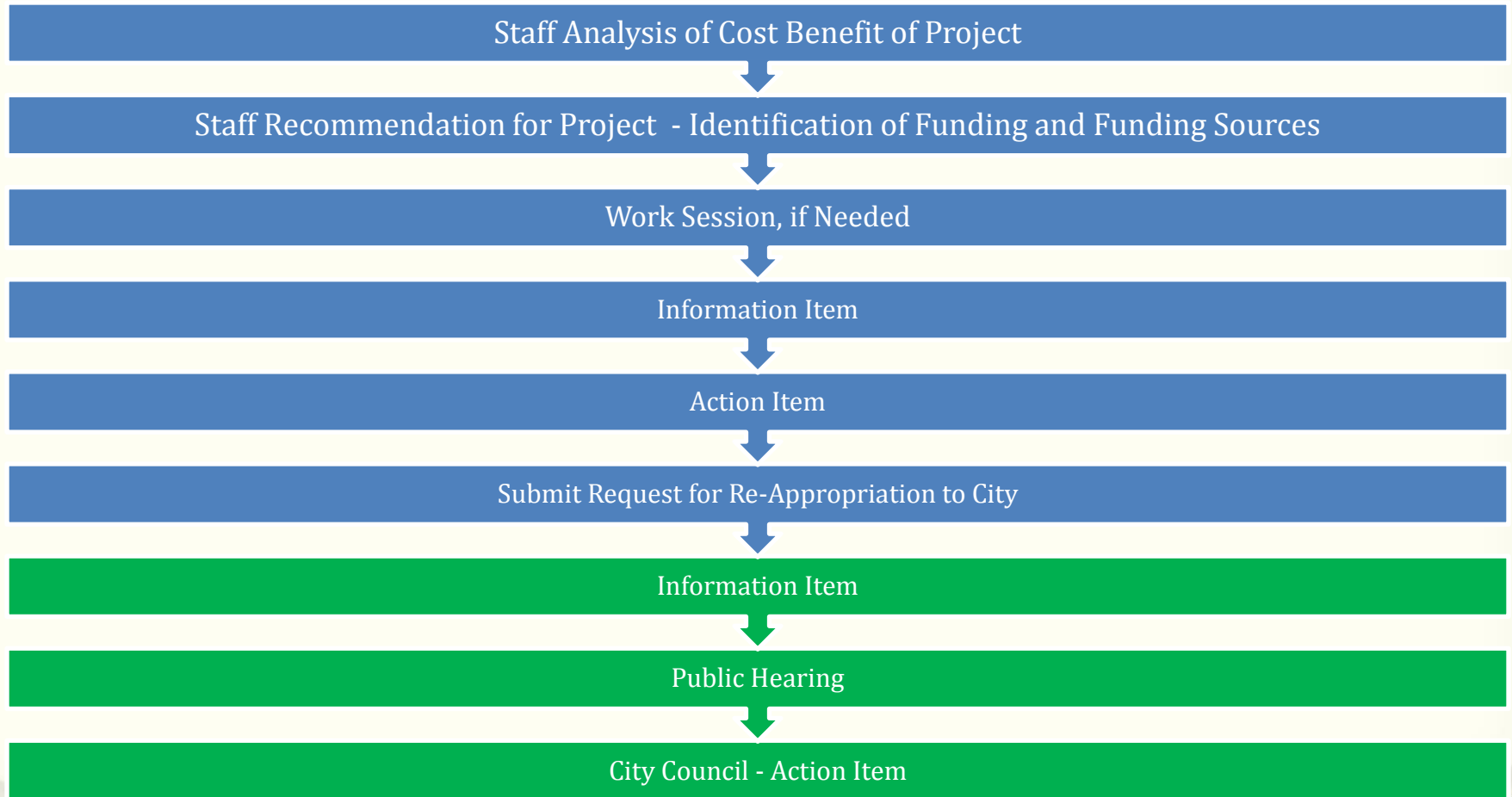
X	Security Review Completed	<i>September 1, 2016</i>	No significant concern found
X	Engage Community	<i>September 1, 2016</i>	
X	Give School Board an Update	<i>September 1, 2016</i>	
X	9.06 Review Public Hearing	<i>September 8, 2016</i>	Approved by Planning Commission
X	Civil Engineer Development of Concepts	<i>August 1 - September 9, 2016</i>	The City has asked for a complete Concept II Submission prior to providing comment. Staff submitted on 09.29.16

X	Feasibility Study Report w/ Preliminary Cost Estimates	<i>October 17, 2016</i>	
X	Determination of Covenant Modification Process	<i>December, 2016</i>	
X	Present Total Project Cost and Funding Requirements for Information	<i>January 10, 2017</i>	CIP Budget Transfer, Use of Fund Balance and Reallocation of Operating Funds to Support the New School Project

Timeline Status of 1701/1705, contd.

<input type="checkbox"/>	Final Decision to Pursue Closing and Forego Earnest Money Deposit <i>January 12, 2017</i>	EXTENDED REVIEW PERIOD (Oct. 1-Jan. 31, 2017)
<input type="checkbox"/>	Public Hearing <i>January 21, 2017</i>	
<input type="checkbox"/>	Present Total Project Cost and Funding Requirements for Action <i>January 24, 2017</i>	
<input type="checkbox"/>	City Staff Presents Supplemental Appropriation Ordinance for Use of Fund Balance <i>January, 2017</i>	
<input type="checkbox"/>	School Board Adopts Revised FY 2017 Budget to Include the Adjustments for the New School <i>February, 2017</i>	CLOSING PERIOD (Feb. 1-Feb. 28, 2016)
<input type="checkbox"/>	City's Determination of DSUP <i>TBD</i>	EXTENDED CLOSING (Mar. 1 - Mar. 31, 2017, if pursued)
<input type="checkbox"/>	Procure A&E Firm/Project Management <i>TBD</i>	OWNERSHIP AND RETROFIT OF PROPERTY W/LAND USE (Apr. 1 - Aug. 30, 2018)
<input type="checkbox"/>	Design <i>TBD</i>	
<input type="checkbox"/>	Construction <i>TBD</i>	

Budget Transfer Process and City Council Appropriation Process



Budget Transfer Request & Action

- Transfer \$1.9 million from ACPS fund balance to ACPS CIP budget, in accordance with adopted School Board Policy DAB and Council approved process
- Transfer \$2.5 million from ACPS Operating Budget to ACPS CIP Budget
- All requested transfers utilize existing ACPS funds

Budget Transfer

Description	Funding allocation
CIP: Retrofit a new West End elementary school	\$16.1 million
CIP: Retrofit a new pre-K center	\$8.3 million
Operating: Estimated partial year leasing costs	\$2.5 million
Fund Balance to address unanticipated needs	\$1.9 million
Total	\$28.8 million

Budget Transfer

Description	Reasoning	CIP Allocation	Return to Future CIP
System-wide Furniture, Fixtures, and Equipment (FF&E)	These funds are available to use for the new school project given the FF&E requirements for the new school.	\$200,000	No
George Washington Roof Replacement	Due to budget savings, after substantial completion of a partial roof replacement at GW, there are no further costs anticipated for this project.	\$790,796	No
Charles Barrett Cafeteria Expansion	This expansion was previously allocated to expand the CB cafeteria given recent classroom additions and anticipated pressure on core spaces. Based on a study of our cafeterias this year, this project can be deferred.	\$910,267	No
Transportation Facility	These funds were allocated in FY 2012 to expand the parking lot for school buses at the transportation facility. The City has not authorized approval for this lot expansion.	\$2,070,174	Yes, not within 5 years
Minnie Howard Capacity and Modernization Project	Originally allocated for the design, project management, and other soft costs for the 10-classroom addition and modernization of Minnie Howard. Based on School Board feedback and a review of capacity needs we recommend that the approved Minnie Howard project be reprioritized to reflect the need to address high school capacity in grades 9 through 12.	\$5,159,585	Yes, within 3 years
Matthew Maury Roof Replacement	These funds were allocated to support the replacement of the roofing over the school. Since that time ACPS completed its system wide roof assessments to determine the condition of all of our roofs and developed a database for tracking the need for maintenance, repair or replacement.	\$1,345,759	No
Total		\$10,476,581	

Budget Transfer

Budget Transfer- 1701/1705 N. Beauregard Street

From Account

<u>ORG</u>	<u>OBJECT</u>	<u>PROJECT</u>	<u>TITLE</u>	<u>Amount Transferring</u>	<u>ACPS Account #</u>
41861560	52121	20135	GW-Facility Maintenance-Roof Replacement	\$ 790,796.00	41861560-7-P150087
41862554	NEW	NEW	TCWM-Capacity-Capacity Addition A&E	\$ 327,455.00	41862554-4-P160013
			TCWM-Capacity-Design, Project Management and Other Soft		
61862554	NEW	NEW	Cost	\$ 4,832,585.00	41862554-4-P170119
41861582	53601	20149	SW-Facility Maintenance-FF&E	\$ 200,000.00	41861582-7-P160028
41862350	NEW	NEW	CB-Capacity-Core Space Renovation	\$ 910,267.00	41862350-4-P150004
41861543	52121	20140	MM-Facility Maintenance-Roof Replacement	\$ 1,345,759.00	41861543-7-P170087
41862228	52121	20148	TF-Capacity-Upgrade transportation shop	\$ 94,044.00	41862228-4-P140104
41862228	52121	20148	TF-Facility Maintenance-Parking Lot Expansion	\$ 1,976,130.00	41862228-7-P150113
41862556	52102	20534	CP-Capacity-Retrofitting Leased Space for Central Preschool	\$ 7,220,505.00	41862556-4-P170114

To Account

41862553	NEW	NEW	WE-Capacity-Retrofitting Leased Space for West End Elementar	\$ 17,697,541.00	41862553-4-P170115
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Capacity Adjustments

Status	K-5 Capacity	K-5 FY 16 Enrollment	K-5 Seating Change (Deficit)/ Additions
Current Capacity	6974	7911	-937
New School	638		638
<i>Capacity with New School</i>	<i>7612</i>	<i>7911</i>	<i>-299</i>

Note: This analysis does not take into consideration any other approved capacity projects.

Next Steps in Timeline

- Continuing to work with City staff throughout DSUP process
- Resolving covenants discovered in the title examination
- Addressing contractual matters through the extended Review Period: January 23, 2017

Questions?